

The Honorable Michael K. Powell  
Chairman  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554

Dear Chairman Powell:

My name is Mark Stout and I am the CEO and president of VPM Internet Services, Inc. in Folsom, California. We began business in 1995 and presently have 4,000 customers, most of whom live and work in the United States but we also do web hosting for our customers throughout the world as well as we have a substantial international customer base.

We offer many services that the local phone companies do not. But we also offer many that they do. Although voice or long distance services are not one. When we opened for business we started as a web hosting provider for businesses and gradually started offering more and more services to the business customer. We have very little in the way of consumer based accounts at this time but plan of going after that market in the future. We currently sub-contract our modem access nationally and internationally plus maintain our own international network that includes the US.

I have lost numerous business clients due to ISDN conditions with many of the ILEC poorly maintained and their support totally inadequate. I've not even begun to deal with the DSL issue as we are already lowballed by the local ILEC's. To begin with, we are charged local loop charge from the ILEC's while at the same time this is waived by the local ILEC to the same customer making it impossible to compete in the DSL market. Cable is another high-speed access that I do not have access to, at all. We currently do not enjoy a level playing field as promised by the Telco Act of 1996.

I do not have the resources to fight the tariffs filed for by the local ILEC that allows it to charge a wholesale rate for access to their network. I know the true cost to much less than what they are charging local ISP's and if they are not charging their own customers, is probably a great deal less than that. To be fair, either the ILEC's must pass along the cost of access to their own customers or waive it for ALL customers. That being CLEC's as well as ISP as we are customers of the local ILEC. We need this to be able to fairly compete in the ILEC's market.

The answer is for the FCC to make a good faith effort to uncover the discrimination (whether it is in pricing or provisioning) and put an end to it. Until the FCC has demonstrated that it is willing to do this for ISPs, any talk about lifting the rules for monopolies is totally premature at this point.

I hope that you will take my comments seriously as I'm not prone to letter writing campaigns. But since you're charged with enforcing the law of the land with respect to communications, I would analyze the national ISP market and see for yourself the hardships imposed by the local ILECS to both block open access to their networks while also blurring the local competition rules to gain long distance access.

All you'd have to do is open an ISP business for 6 months and promise to offer DSL in any market. Do not let on you are the FCC and I guarantee you will walk away with a totally different viewpoint than what you have now of how fair marketplace actually is. We're not offering DSL right now but want to on a

national basis. Tag along while I try to get setup to offer DSL and what my cost are and then contrast that with the local ILEC's and the issues ISP and CLEC's face become painfully clear.

I am also sending a copy of this letter to my Congressman as well as my Senator.

Sincerely,

Mark Stout  
P.O.Box 6427  
Folsom, CA 95763

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